

#### **405 KAR 10:090. Production fees.**

RELATES TO: KRS 350.020, 350.060, 350.062, 350.064, 350.093, 350.095, 350.100, 350.110, 350.151, 350.465, 350.515, 350.518

STATUTORY AUTHORITY: KRS 350.060, 350.062, 350.064, 350.093, 350.095, 350.100, 350.151, 350.465, KRS 350.518(2)(a) and (b)

NECESSITY, FUNCTION, AND CONFORMITY: KRS Chapter 350 authorizes the cabinet to promulgate administrative regulations to ensure bonds are adequate to perform reclamation in the event of forfeiture. KRS 350.503 authorizes the Kentucky Reclamation Guaranty Fund, which will receive production fees established in KRS 350.518(2)(a) and (b). This administrative regulation establishes information on production fees established in KRS 350.518(2)(a) and (b), and the schedule payments to be remitted.

Section 1. (1) Each member with surface or underground coal mining operations shall remit to the ORGF a fee based on the tons of coal mined and sold from each permit. This production fee shall be paid by the 30th day of the month immediately following the end of the quarter.

(2) Production fees shall be assessed as established in paragraphs (a) through (c) of this subsection.

(a) Surface coal mining operations shall pay seven and fifty-seven hundredths cents per ton of coal.

(b) Underground coal mining operations shall pay three and fifty-seven hundredths (3.57) cents per ton of coal.

(c) Permits consisting of surface and underground coal mining operations shall be assessed the tonnage fees in accordance with the predominant method of coal extraction during the quarterly reporting period. (40 Ky.R. 483; 1067; eff. 11-7-2013; Crt eff. 7-3-2018.)